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**NEWS RELEASE**

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FOR IMMEDIATE RELEASE

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**OWNER OF DIVINE FRAGRANCES OF SOUTH LAKE TAHOE**  
**INDICTED FOR TRAFFICKING IN COUNTERFEIT GOODS**

SACRAMENTO--United States Attorney McGregor W. Scott announced today that LEONARDO MORALES, 27, of South Lake Tahoe, California, has been indicted for trafficking in counterfeit goods. A federal grand jury returned an indictment today alleging that on April 19, 2006 MORALES sold counterfeit goods, including handbags, sunglasses, watches, shoes, umbrellas, scarves, hats, and jewelry, with counterfeit trademarks on the goods from companies such as Gucci, Cloe, Kate Spade, Burberry, Christian Dior, Dooney and Bourke, Prada, Fendi, Chanel, Coach, Louis Vuitton, Oakley, Ray-Ban, Breitling, Rolex, Armani, Cartier, Geneva, Tag Heuer, Tiffany, Movado, Baby Phat, and Bebe.

This case was investigated by the United States Immigrations and Customs Enforcement.

According to Assistant United States Attorney Matthew Stegman, who is prosecuting the case, if convicted of the charge, MORALES faces a maximum penalty of 10 years in prison and a fine of up to \$2,000,000. However, the actual sentence will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables, and any applicable statutory sentencing factors.

The charges are only allegations and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

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